

telex, facsimile, express mail or other express delivery service so that such registered securities depository will receive the copy of such notices at least two days prior to the date such notice is received by other Holders of the Warrants. The failure of the Registrar to mail or cause to be mailed or transmit or cause to be transmitted a copy of any such notice to any or all said firms shall not invalidate any such redemption.

(d) Deposit. Prior to the Redemption Date, the County shall deposit or cause to be deposited with the Registrar the total Redemption Price of the Warrants so called for redemption and shall further furnish or cause to be furnished to the Registrar the following: (1) a certified copy of the Resolution required in subsection (a) of this section (if, under the circumstances, the adoption of any such Resolution is required); (2) appropriate affidavits showing compliance with the requirements of subsection (b) of this section (except to the extent that the Registrar took action to comply with such requirements on the County's behalf); and (3) in the case of the redemption of any Warrants on a date when such Warrants may be redeemed only with funds from a specified source or when such redemption is made subject, by the terms of the Warrant Resolution, to any other restriction or requirement, evidence satisfactory to the Registrar showing compliance with such restriction or requirement.

Section 5.2 Presentation of Warrants for Redemption; Warrants Called for Redemption to Cease to Bear Interest. Upon compliance by the County with the requirements contained in the preceding Section 5.1 hereof and, unless all the Warrants then outstanding are to be redeemed (or unless a portion of such outstanding Warrants are to be redeemed and the remainder are, simultaneously with or prior to such redemption, to be otherwise retired), if the County is not on the Redemption Date in default in payment of the principal of or the interest on any of the Warrants, the Warrants so called for redemption (or, in the case of any Warrants called for redemption in part, the portions thereof called for redemption) shall become due and payable at the place or places at which the same shall be payable at the Redemption Price or Prices and on the Redemption Date specified in such notice, anything herein or in the Warrants to the contrary notwithstanding, and the Holders thereof shall then and there surrender such Warrant for redemption; provided, however, that with respect to any Warrant called for partial redemption, the Holder thereof shall surrender such Warrant to the Registrar in exchange for one or more new Warrants in Authorized Denominations in an aggregate principal amount equal to the unredeemed portion of the Warrant surrendered, all as shall be requested by the Holder of such Warrant so called for partial redemption. All future interest on the Warrants so called for redemption shall cease to accrue on and after the Redemption Date; and the Warrants so called (or, in the case of any Warrants called for redemption in part, the portions thereof called for redemption) shall no longer be entitled to the benefit of the Warrant Fund but shall look solely to the moneys deposited with the Registrar under the provisions of this Article; and out of the moneys so deposited with it, the Registrar shall make provision for payment of the Warrants so called for redemption (or, in the case of any Warrants called for redemption in part, the portions thereof called for redemption) at the Redemption Price and on the Redemption Date.

Section 5.3 Supplemental Redemption Notice. Not later than sixty (60) days following any Redemption Date fixed for Warrants pursuant to this Article 5, the Registrar will give a second notice of redemption, in the manner required by Section 5.1(b) hereof, to each Holder of any Warrant who has not surrendered such Warrant for redemption as required by this

Warrant Resolution. The failure of the Registrar to give any such supplemental notice of redemption shall not result in any Warrant bearing interest on and subsequent to the Redemption Date, it being the intention hereof that the supplemental notice of redemption provided for in this Section 5.3 is solely for the convenience of the Holders of the Warrants.

ARTICLE VI

PAYMENT AND SECURITY; BOND INSURANCE

Section 6.1 Payment of Principal and Interest. From the moneys at any time lawfully available, the County shall pay or cause to be paid the principal of and the interest and premium (if any) on the Warrants as specified therein and herein, and it will otherwise perform all obligations that, either expressly or by reasonable implication, are imposed on it under the Warrant Resolution.

Section 6.2 General Obligation. The indebtedness evidenced and ordered paid by each of the Warrants is and shall be a general obligation of the County for payment of the principal of, premium, if any, and the interest on which the full faith and credit of the County are hereby irrevocably pledged.

Section 6.3 Concerning the Financial Guaranty Insurance Policy. Notwithstanding any provision of this Resolution to the contrary, the following provisions shall apply:

(a) In the event that, on the second Business Day, and again on the Business Day, prior to an Interest Payment Date for the Warrants, the Registrar has not received sufficient moneys to pay all principal of and interest on the Warrants due on the next Interest Payment Date, the Registrar shall immediately notify the Insurer or its designee on the same Business Day by telephone or telegraph, confirmed in writing by registered or certified mail, of the amount of the deficiency.

(b) If the deficiency is made up in whole or in part prior to or on the Interest Payment Date, the Registrar shall so notify the Insurer or its designee.

(c) In addition, if the Registrar has notice that any Holder has been required to disgorge payments of principal or interest on a Warrant to a trustee in Bankruptcy or creditors or others pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Holder within the meaning of any applicable bankruptcy laws, then the Registrar shall notify the Insurer or its designee of such fact by telephone or telegraphic notice, confirmed in writing by registered or certified mail.

(d) The Registrar is hereby irrevocably designated, appointed, directed and authorized to act as attorney-in-fact for Holders of the Warrants as follows:

(1) If and to the extent there is a deficiency in amounts required to pay interest on the Warrants, the Registrar shall (a) execute and deliver to U.S. Bank Trust National Association, or its successors under the Policy (the "Insurance Paying Agent"), in form satisfactory to the Insurance Paying Agent, an instrument appointing the Insurer as agent for such Holders in any legal proceeding related to the payment of such interest and an assignment to the Insurer of the claims for interest to which such deficiency relates and which are paid by the Insurer, (b) receive as designee of the respective Holders (and not as Registrar) in accordance with the tenor of the Policy payment from the Insurance Paying Agent with respect to the claims for interest so assigned, and (c) disburse the same to such respective Holders; and

(2) If and to the extent of a deficiency in amounts required to pay principal of the Warrants, the Registrar shall (A) execute and deliver to the Insurance Paying Agent in form satisfactory to the Insurance Paying Agent an instrument appointing the Insurer as agent for such Holder in any legal proceeding relating to the payment of such principal and an assignment to the Insurer of any of the Warrant surrendered to the Insurance Paying agent of so much of the principal amount thereof as has not previously been paid or for which moneys are not held by the Registrar and available for such payment (but such assignment shall be delivered only if payment from the Insurance Paying Agent is received), (B) receive as designee of the respective Holders (and not as Registrar) in accordance with the tenor of the Policy payment therefor from the Insurance Paying Agent, and (C) disburse the same to such Holders.

(e) Payments with respect to claims for interest on and principal of Warrants disbursed by the Registrar from proceeds of the Policy shall not be considered to discharge the obligation of the County with respect to such Warrants, and the Insurer shall become the owner of such unpaid Warrant and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of this subsection or otherwise.

(f) Irrespective of whether any such assignment is executed and delivered, the County and the Registrar hereby agree for the benefit of the Insurer that:

(1) They recognize that to the extent the Insurer makes payments, directly or indirectly (as by paying through the Registrar), on account of principal of or interest on the Warrants, the Insurer will be subrogated to the rights of such Holders to receive the amount of such principal and interest from the County, with interest thereon as provided and solely from the sources stated in this Indenture and the Warrants; and

(2) They will accordingly pay to the Insurer the amount of such principal and interest (including principal and interest recovered under subparagraph (ii) of the first paragraph of the Policy, which principal and interest shall be deemed past due and not to have been paid), with interest thereon as provided in this Resolution and the Warrants, but only from the sources and in the manner provided herein for the payment of principal of and interest on the Warrants to Holders, and will otherwise treat the Insurer as the owner of such rights to the amount of such principal and interest.

(g) The Insurer shall receive notice of the resignation or removal of the Registrar and the appointment of a successor thereto.

(h) The Insurer shall receive copies of all notices required to be delivered to Holders and, on an annual basis, copies of the County's audited financial statements and Annual Budget.

(i) Any notice that is required to be given to a Holder of the Warrants or to the Registrar pursuant to this Resolution shall also be provided to the Insurer. All notices required to be given to the Insurer under this Resolution shall be in writing and shall be sent by registered or certified mail addressed to MBIA Insurance Corporation, 113 King Street, Armonk, New York 10504 Attention: Surveillance.

(j) The County agrees to reimburse the Insurer immediately and unconditionally upon demand, to the extent permitted by law, for all reasonable expenses, including attorneys' fees and expenses, incurred by the Insurer in connection with (i) the enforcement by the Insurer of the County's obligations, or the preservation or defense of any rights of the Insurer, under this Resolution, and (ii) any consent, amendment, waiver or other action with respect to the Resolution or any related document, whether or not granted or approved, together with interest on all such expenses from and including the date incurred to the date of payment at Citibank's Prime Rate plus 3% or the maximum interest rate permitted by law, whichever is less.

ARTICLE VII

CREATION AND ADMINISTRATION OF SPECIAL FUNDS AND ACCOUNTS

Section 7.1 Warrant Fund. There is hereby established a special fund, to be designated the "Jefferson County Series 2003-A Warrant Fund," for the purpose of providing for the payment of the principal of and the interest on the Warrants, which fund shall be maintained until the principal of and the interest on the Warrants have been paid in full. The Registrar shall be and remain the depository, custodian and disbursing agent for the Warrant Fund. Payments shall be made into the Warrant Fund as follows:

(a) simultaneously with the issuance of the Warrants and out of the proceeds derived from the sale thereof; there shall be paid into the Warrant Fund that portion of such proceeds that is referable to the accrued interest on the Warrants received by the County upon the sale thereof;

(b) on or before October 1, 2003, and on or before each April 1 and October 1 thereafter, until and including April 1, 2023, the County will pay into the Warrant Fund an amount equal to the interest and principal, if any, that will be payable on each such Interest Payment Date with respect to the Warrants at the time outstanding, or the redemption price of Warrants required to be redeemed on such date, as the case may be; and

(c) there shall be paid into the Warrant Fund any other moneys that are expressly required to be paid therein by any provision of the Warrant Resolution.

There shall be credited against any payment required to be made into the Warrant Fund, pursuant to the provisions of subparagraph (b) of this paragraph, any amount then held in the Warrant Fund, but only to the extent that such amount does not itself consist of prior payments made pursuant to said subparagraph (b) or has not theretofore been credited against any payment previously required by said subparagraph (b); provided, however, that moneys in the Warrant Fund shall not be so credited against any required payment into such fund if such moneys (i) are held therein for payment of matured but unpaid Warrants, Warrants called for redemption but not yet redeemed, and matured but unpaid interest on the Warrants, (ii) are held therein pursuant to instructions from the County for the future redemption or purchase of Warrants, (iii) are held therein for the payment of unmatured Warrants not called for redemption if such Warrants are considered fully paid pursuant to the provisions of Section 11.1 hereof by reason of the fact that such moneys are so held in the Warrant Fund, or (iv) are held therein subject to the provisions of a Supplemental Resolution which requires such moneys to be credited in a manner inconsistent with the provisions hereof; in which case such moneys shall be credited in the manner provided by such Supplemental Resolution.

Subject to the provisions of Section 7.4 hereof, the Registrar shall hold and apply moneys in the Warrant Fund for the payment of the principal of and the interest on the Warrants on or after the respective due dates of such principal and interest, for the redemption of Warrants prior to their respective maturities, and for the purchase of Warrants for retirement at a purchase price not greater than the principal amount thereof plus accrued interest thereon. Out of the moneys held in the Warrant Fund, the Registrar shall pay, when due, the principal and interest maturing with respect to the Warrants, as well as the Redemption Price of any Warrants that are required by the provisions of the Warrant Resolution to be redeemed prior to the stated maturity thereof.

Section 7.2 Transfers or Payments Made through Transfers of Balances of Eligible Investments. Whenever any provision of the Warrant Resolution requires a transfer or payment of moneys to be made from any fund or account to any other fund or account, then, to the extent that the moneys held in the fund or account from which such transfer or payment is to be made are at the time invested in Eligible Investments, the Registrar may, in lieu of liquidating such Eligible Investments to obtain cash for making such payment or transfer, effect such payment or transfer by transferring, in its records pertaining to such funds and accounts, Eligible Investments, or a portion thereof, in a principal amount equal to the amount of the required transfer or payment, provided that any required transfer or payment of moneys from one fund or account to another fund or account may be made by transferring principal amounts of Eligible Investments only if (i) such investments shall be authorized herein as investments for moneys held in the fund or account to which any principal amount of such investments shall be transferred and (ii) such investments shall mature, or be subject to redemption at the option of the holder, on or before the due date for which the required transfer or payment shall be needed in cash for the purposes of such fund or account.

Section 7.3 Security for Moneys in Warrant Fund. Moneys on deposit in the Warrant Fund shall be and at all times remain public funds impressed with a trust for the

purposes for which such funds are herein created. The Registrar shall at all times keep the moneys on deposit with it in such fund continuously secured for the benefit of the County and the Holders of the Warrants or other intended beneficiaries thereof either

(a) by holding on deposit as collateral security, Federal Obligations or other marketable securities eligible as security for the deposit of trust funds under regulations of the Board of Governors of the Federal Reserve System, having a market value (exclusive of accrued interest) not less than the amount of moneys on deposit in such fund, or

(b) if the furnishing of security in the manner provided in the foregoing clause (a) of this paragraph is not permitted by the then applicable law and regulations, then in such other manner as may be required or permitted by the applicable state and federal laws and regulations respecting the security for, or granting a preference in the case of, the deposit of public funds;

provided, however, that it shall not be necessary for the Registrar so to secure any portion of the moneys on deposit in the Warrant Fund that may be insured by the Federal Deposit Insurance Corporation (or by any agency of the United States of America that may succeed to its functions) or any portion of the said moneys that may be invested pursuant to the provisions of Section 7.4 hereof.

Section 7.4 Investment of Moneys in Funds and Accounts. Subject to compliance with other applicable provisions of the Warrant Resolution, the County hereby reserves the right to control the investment of the moneys at any time held in any of the funds and accounts created hereunder and hereby designates the County Director of Finance as its representative for the purpose of communicating investment decisions to the Registrar; provided, however, that the Commission reserves the right to designate from time to time one or more other representatives to act for the County in lieu of the County Director of Finance, the designation of any such other representative to be made by written order signed by the President of the Commission and furnished to the Registrar.

In particular, and without limiting the generality of the preceding paragraph, the County Director of Finance or any other designated representative of the County may from time to time specify to the Registrar the types and maturities of the Eligible Investments to be acquired with the moneys held in such funds and accounts, the price to be paid for such investments and the securities dealer or dealers from which such investments are to be acquired. So long as such directions from the County Director of Finance or any other designated representative of the County are not inconsistent with other provisions of the Warrant Resolution, the Registrar will acquire the specified investments from the specified dealer or dealers and at any specified price, regardless of its opinion as to the prudence of such investments or its ability to acquire such investments upon more favorable terms from another source; provided, however, that the County Director of Finance or any other designated representative of the County shall not require any investment that would result in any of the Warrants being considered "arbitrage bonds" within the meaning of Section 148 of the Code and the applicable regulations thereunder.

Subject (i) to the provisions of Section 11.3 hereof and (ii) to the right of the County specified above to direct the investment of moneys in the funds and accounts created hereunder, moneys held in any fund or account created hereunder shall be continuously invested and reinvested by the Registrar in Eligible Investments which shall mature on such dates (or be subject to redemption at the option of the holder thereof on such dates and at such stated prices) as will assure the availability of cash in each such fund or account to make any payments therefrom required by the provisions hereof. Subject to the provisions of Sections 7.2 and 7.5 hereof, any Eligible Investments acquired by the Registrar pursuant to the provisions of this section shall be deemed at all times to constitute part of the fund or account from which the moneys were withdrawn to acquire such investments, and all income earned, profits realized and losses suffered by reason of the acquisition or disposition of such investments shall be credited or charged, as the case may be, to the particular fund or account to which such investments belong. In any determination of the amount of moneys at any time held in any fund or account created hereunder, all investments at any time forming a part thereof shall be valued at their then market value.

The Registrar may sell, redeem or otherwise convert into cash any Eligible Investments constituting a part of any of the funds or accounts created hereunder to the extent necessary (as the Registrar shall determine in the exercise of its sole discretion) to provide cash in such funds or accounts for any payments required by the provisions hereof to be made therefrom or to facilitate the transfers of moneys between various funds and accounts as may from time to time be required or permitted by the provisions hereof. Upon written request of the County Director of Finance or any other designated representative of the County, the Registrar shall cause any investments constituting part of any of such funds or accounts to be sold, redeemed or otherwise converted into cash, but only if, in the case of investments constituting part of the Warrant Fund, such sale, redemption or other conversion into cash will not jeopardize the payment, when due, of the principal of and the interest on any of the Warrants or the redemption price of any Warrants required to be redeemed. The Registrar shall not be liable for any losses incurred in connection with investments made or disposed of in accordance with the provisions of this section.

Section 7.5 Commingling of Moneys in Separate Funds and Accounts. Any provisions of the Warrant Resolution to the contrary notwithstanding, moneys held in any fund or account created hereunder may be commingled and combined with moneys held in another fund or account for the purpose of making investments under the provisions of Section 7.4 hereof, subject to the following conditions:

(a) all interest, income or profit realized from any such commingled investment shall be credited, and all losses resulting therefrom shall be charged, to each such fund or account in the same respective proportions as the amount invested from each such fund or account bears to the total amount so invested;

(b) no moneys forming a part of any such fund or account shall be invested in any investments other than such as are herein expressly authorized for such fund or account; and

(c) the commingled investment of moneys held in any such fund or account, together with other moneys held hereunder, shall not result in the investment of a greater amount of moneys in such fund or account than would otherwise be permitted by the restrictions herein applicable to the investment of such moneys.

ARTICLE VIII

CONCERNING THE REGISTRAR

Section 8.1 **Appointment of Registrar and Acceptance of Duties.** The Bank of New York Trust Company of Florida, N.A., Birmingham, Alabama, is hereby designated and appointed the Registrar hereunder. The Registrar shall act as registrar, transfer agent and paying agent with respect to the Warrants. The Registrar shall signify its acceptance of the duties of the Registrar under the Warrant Resolution by filing with the County a written acceptance thereof not later than the issuance of the Warrants. In such acceptance the Registrar shall accept and agree to perform the duties required by the Warrant Resolution, subject, however, to the following conditions:

(a) The Registrar shall undertake to perform such duties and only such duties as are specifically set forth in the Warrant Resolution, and no implied covenants or obligations shall be read into the Warrant Resolution against the Registrar.

(b) Subject to the preceding subsection (a), the Registrar shall perform the duties imposed by the Warrant Resolution and exercise the rights and powers vested in it by the Warrant Resolution in accordance with the same degree of care and skill in the performance of such duties and the exercise of such rights and powers as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) In the absence of bad faith or gross negligence on its part, the Registrar may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Registrar and conforming to the requirements of the Warrant Resolution; provided, however, that in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Registrar, the Registrar shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Warrant Resolution.

(d) No provision of the Warrant Resolution shall be construed to relieve the Registrar from liability for its own grossly negligent action, its own grossly negligent failure to act or its willful misconduct, except that no provision of the Warrant Resolution shall require the Registrar to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its

duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(e) The Registrar may consult counsel on any matters connected herewith and shall not be answerable for any action taken or failure to take any action in good faith on the advice of counsel, provided that its action or inaction is not contrary to any express provision hereof.

(f) The Registrar need not recognize a Holder of a Warrant as such without the satisfactory establishment of his title to such Warrant.

(g) Any action taken by the Registrar at the request of and with the consent of the Holder of a Warrant will bind all subsequent Holders of the same Warrant and any Warrant issued hereunder in lieu thereof.

(h) The Registrar may be a Holder or a pledgee of any of the Warrants as if not Registrar hereunder.

(i) The Registrar shall not be liable for the proper application of any moneys other than those that may be paid to or deposited with it.

(j) The Registrar shall not be liable to pay or allow interest on any moneys to be held by it under the Warrant Resolution or otherwise to invest any such moneys, except as specifically required by the Warrant Resolution or as may be required by law or other written agreement between the County and the Registrar.

(k) The Registrar may make any investments permitted or required hereby through its own investment department, and any Eligible Investments issued or held by it hereunder shall be deemed investments and not deposits.

(l) The Registrar shall, upon request, inform the County of the amount at the time on deposit in any of the special funds or accounts created hereunder.

(m) The recitals of fact herein and in the Warrants are statements by the County and not by the Registrar, and the Registrar is in no way responsible for the validity or security of the Warrants or the validity of the security afforded hereby.

(n) The Registrar shall not be responsible for (i) determining whether or not any investment complies with the arbitrage limitations imposed by Section 148 of the Code or the applicable Treasury Regulations, or (ii) calculating the amount of, or making payment of, any rebate due to the United States under Section 148(f) or any successor provision of the Code.

Section 8.2 Registrar to Maintain Registration Books. The Registrar will keep on file at its designated corporate trust office registration books listing the names and addresses of the holders of the Warrants and proper records of account relating to the receipt, disbursement, investment, allocation and application of moneys under the Warrant Resolution. At reasonable times and under reasonable regulations established by the Registrar, said registration books and said accounting records may be inspected and copied by any Holder of any Warrants or the duly authorized agents and representatives of any thereof.

Section 8.3 Resignation by Registrar. The Registrar and any successor Registrar may resign and be discharged from the duties under the Warrant Resolution by causing written notice specifying the effective date of such resignation to be forwarded by United States registered or certified mail, postage prepaid; to the County and to every Holder of a Warrant. Unless the effective date of the Registrar's resignation shall coincide with the appointment of a successor Registrar by the Holders of the Warrants as herein provided, such date shall be at least thirty (30) days after the date on which notice to the County and the Holders of the Warrants shall have been mailed.

Section 8.4 Removal of Registrar. The Registrar may be removed at any time (a) by an instrument or concurrent instruments in writing delivered to the Registrar and to the County and signed by the Holders of a majority in aggregate principal amount of the Warrants then outstanding or (b) if no default exists with respect to the payment of the Warrants, by a written notice delivered to the Registrar and signed on behalf of the County.

Section 8.5 Appointment of Successor Registrar; Interim Registrar. In case the Registrar shall resign, be removed, be dissolved, be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers or of a receiver appointed by a court, a successor may be appointed by the Holders of a majority in aggregate principal amount of Warrants then outstanding through an instrument or concurrent instruments in writing signed by such Holders. In case of any such resignation or event which causes the Registrar to be incapable of acting, the County, by an instrument signed by the President of the Commission, shall appoint an interim Registrar to serve until a successor Registrar shall be appointed by the Holders of a majority in aggregate principal amount of the Warrants, as provided above. Whenever necessary to avoid or fill a vacancy in the office of Registrar, the County will appoint an interim Registrar in order that there shall at all times be a Registrar hereunder. Any interim Registrar so appointed by the County shall immediately and without further act be superseded by the Registrar appointed by the holders of the Warrants.

The County shall cause notice of the appointment of an interim Registrar, in the event that such an appointment is made, to be forwarded by United States registered or certified mail, postage prepaid, to every Holder of a Warrant. When the appointment of a successor Registrar, as selected by the Holders of a majority in principal amount of the Warrants then outstanding, becomes effective, the County shall also cause notice of that fact to be given in the manner provided above for the notice required to be given upon the appointment of an interim Registrar. Every interim or successor Registrar appointed pursuant to this section shall be a trust company or bank which is qualified to perform all duties of the Registrar under the Warrant Resolution

and which has, at the time of its acceptance of such appointment, capital, surplus and undivided profits of not less than \$25,000,000, if there be such an institution willing, qualified and able to accept appointment as Registrar upon reasonable or customary terms.

Section 8.6 Concerning any Successor Registrar. Every successor Registrar shall execute, acknowledge and deliver to its predecessor and also to the County an instrument in writing accepting its appointment as Registrar hereunder, and thereupon such successor Registrar, without any further act, deed or conveyance, shall become fully vested with all the rights, powers and duties of its predecessor. Such predecessor shall, nevertheless, on the written request of the County or such successor Registrar, execute and deliver an instrument transferring to such successor Registrar all rights, powers and interests of such predecessor hereunder; and every predecessor Registrar shall deliver all securities and moneys held by it as Registrar hereunder to its successor.

Section 8.7 Merger or Consolidation of Registrar. Any corporation into which the Registrar may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Registrar shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Registrar, shall be the successor of the Registrar hereunder, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case the registration certificates with respect to any Warrants shall have been executed by the Registrar then in office, any successor by merger or consolidation to such Registrar may adopt the registration of such Warrants and deliver such Warrants with the same effect as if such successor Registrar had itself registered such Warrants.

Section 8.8 Provisions for Payment at Par. The Registrar, and every other bank that may act as paying agent for any of the Warrants, by acceptance of their respective duties with respect to the payment of the Warrants, shall be deemed to have agreed thereby with the Holders of the Warrants that it will make, out of the funds supplied to it for that purpose, all remittances of principal and interest on the Warrants in bankable funds at par without any deduction for exchange or other costs, fees or expenses. The County agrees with the Holders of the Warrants that it will pay all charges for fees and expenses which may be made by the Registrar or any other bank in the making of remittances in bankable funds of the principal of and interest on any of the Warrants.

Section 8.9 Compensation of Registrar. Subject to the provisions of any separate agreement with the Registrar, the County shall pay to the Registrar from time to time reasonable compensation for all services rendered by it under the Warrant Resolution, including its services as registrar and paying agent for the Warrants, and also all its reasonable expenses, charges, counsel fees and other disbursements and those of its attorneys, agents and employees, incurred in and about the performance of its duties hereunder.

ARTICLE IX

AMENDMENTS OR MODIFICATIONS OF THE WARRANT RESOLUTION

Section 9.1 Supplemental Resolutions Without Consent of Holders of the Warrants. Without the consent of or notice to any Holders of the Warrants, the County may, at any time and from time to time, adopt such Supplemental Resolutions as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the County herein contained other covenants and agreements thereafter to be observed and performed by the County, provided that such other covenants and agreements shall not either expressly or impliedly limit or restrict any of the obligations of the County contained in the Warrant Resolution;

(b) to provide for the surrender by the County of any right or power retained by the County in the Warrant Resolution, or to grant to or confer upon the Holders of the Warrants or to the Registrar, for the benefit of the Holders of the Warrants, any right, power or authority that may lawfully be granted to or conferred upon such Holders or the Registrar;

(c) to cure or correct any ambiguity, defect or inconsistent provision contained in the Warrant Resolution or in any Supplemental Resolution or to make any provisions with respect to matters arising under the Warrant Resolution or any Supplemental Resolution for any other purpose if such provisions are necessary or desirable and are not inconsistent with the provisions of the Warrant Resolution or any Supplemental Resolution and do not adversely affect the interests of the Holders of the Warrants; or

(d) to provide additional security or sources of payment for the Warrants.

Section 9.2 Supplemental Resolutions Requiring Consent of Holders of the Warrants. In addition to those Supplemental Resolutions permitted by Section 9.1 hereof, the County may, at any time and from time to time, with the written consent of the Holders of a majority in principal amount of the Warrants then outstanding, adopt such Supplemental Resolutions as shall be deemed necessary or desirable by the County for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Warrant Resolution or in any Supplemental Resolution; provided that, without the written consent of the Holder of each Warrant affected, the County shall not extend the due date of any installment of principal or interest payable with respect to any Warrant or reduce the principal amount of any Warrant, the rate of interest thereon or the premium payable upon the redemption thereof, and provided further that, without the written consent of the Holders of all the Warrants then outstanding, none of the following shall be permitted:

(a) the establishment of preferences or priorities as between the Warrants; or

(b) a reduction in the aggregate amount of Warrants outstanding the Holders of which are required to consent to such Supplemental Resolution.

Section 9.3 Notices with Respect to Certain Changes in the Warrant Resolution. If at any time the County shall determine to adopt any Supplemental Resolution requiring the written consent of the Holders of a majority in principal amount of the Warrants then outstanding, the County shall cause notice of the proposed Supplemental Resolution to be forwarded by United States registered or certified mail, postage prepaid, to every Holder of a Warrant. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the County and at the designated corporate trust office of the Registrar for inspection by all Holders of the Warrants.

If the Holders of a majority in aggregate principal amount of the Warrants outstanding at the time of the adoption of any such Supplemental Resolution shall consent to and approve the adoption thereof, then no Holder of any Warrant shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the County or the Registrar from taking any action pursuant to the provisions thereof.

ARTICLE X

SALE OF THE WARRANTS AND RELATED ACTIONS

Section 10.1 Sale of the Warrants. The Warrants are hereby sold to the Underwriters upon the payment to the County of the purchase price for the Warrants in the amount of \$99,273,367.90 (par amount plus net original issue premium of \$5,832,667.90 and less underwriters' discount of \$559,300.00), plus accrued interest from the date of the Warrants to the date of delivery and payment therefor. The foregoing purchase price and original issue premium amounts have been calculated presuming a closing date of March 19, 2003; if the closing date is subsequent to March 19, 2003, the purchase price and original issue premium shall be adjusted to reflect the actual closing date. The Commission has determined that the sale of the Warrants on such terms is most advantageous to the County. The Warrants shall be delivered to the Underwriters through the Registrar or at such place as the County and Underwriters shall determine, upon the payment to the County of the aforesaid purchase price. The President of the Commission is hereby authorized and directed to effect such delivery. The execution and delivery of the Warrant Purchase Agreement between the County and Blount Parrish & Company, Incorporated, as representative of the Underwriters, in the form presented to the meeting of the Commission at which this Warrant Resolution is adopted (which form shall be preserved in the pertinent records of the County pertaining to the said meeting and which is hereby adopted in all respects as if the same were set out in full herein), by the President of the Commission is hereby approved and ratified in all respects. The Director of Finance of the